(AN EXPLORATION STAGE COMPANY)

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED OCTOBER 31, 2012 AND 2011

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER: The accompanying unaudited interim condensed consolidated financial statements of Lakeside Minerals Inc. as at and for the three and nine months ended October 31, 2012 and 2011 have been prepared by management and have not been reviewed by the Company's auditors.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim condensed consolidated financial statements of Lakeside Minerals Inc. are the responsibility of the management and Board of Directors of the Company.

The unaudited interim condensed consolidated financial statements have been prepared by management on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the financial statements together with other financial information of the Company and for ensuring that management fulfils its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim condensed consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim condensed consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) Mario Justino, CEO

(signed) Marco Guidi, CFO

LAKESIDE MINERALS INC.
Unaudited Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

Assets		**October 31, 2012**		January 31, 2012
Current				
Cash and cash equivalents	**$**	**310,536**	$	1,230,116
HST receivable and other receivables (note 7)		**115,667**		188,312
Prepaid expenses (note 8)		**14,288**		35,784
Total assets	**$**	**440,491**	$	1,454,212
Liabilities				
Current				
Line of credit (note 6)	**$**	**176,851**	$	-
Accounts payable and accrued liabilities (note 9)		**324,153**		441,467
Flow-through premium liability (note 10)		**-**		260,300
Total liabilities		**501,004**		701,767
Shareholders' Equity				
Share capital (note 11)		**2,898,844**		2,654,203
Reserve for warrants (note 12)		**592,819**		507,453
Reserve for options (note 13)		**161,214**		155,195
Accumulated deficit		**(3,713,390)**		(2,564,406)
Total shareholders' equity		**(60,513)**		752,445
Total liabilities and shareholders' equity	**$**	**440,491**	$	1,454,212

Nature of operations and going concern (note 1)
Subsequent event (note 17)

APPROVED ON BEHALF OF THE BOARD

"Andres Tinajero" (Director) **"Yannis Banks"** (Director)

[The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.]

LAKESIDE MINERALS INC.
Unaudited Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Three months ended October 31, 2012	Three months ended October 31, 2011	**Nine months ended October 31, 2012**	Nine months ended October 31, 2011
Expenses				
Management, consulting fees and salaries	**76,708**	99,388	**236,700**	285,468
Professional fees	**19,503**	55,162	**59,805**	256,416
Office and general	**21,945**	38,141	**123,199**	66,637
Share based payments (note 13)	**3,724**	2,584	**6,018**	44,044
Exploration and evaluation expenditures (note 5)	**411,022**	168,931	**989,052**	443,816
Total expenses	**532,902**	364,206	**1,414,774**	1,096,381
Other income				
Interest	**508**	-	**5,490**	-
Flow-through premium (note 10)	**-**	-	**260,300**	-
	508	-	**265,790**	-
Net loss and comprehensive loss	**(532,394)**	(364,206)	**(1,148,984)**	(1,096,381)
Weighted average shares outstanding				
- basic and diluted	**31,531,582**	15,704,012	**30,595,445**	13,772,236
Loss per share				
- basic and diluted	**(0.017)**	(0.023)	**(0.038)**	(0.080)

[The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.]

LAKESIDE MINERALS INC.
Unaudited Interim Consolidated Statements of Cash Flow
(Expressed in Canadian Dollars)

	Nine months ended October 31, 2012	Nine months ended October 31, 2011
Operating Activities		
Net loss	**$ (1,148,984)**	$ (1,096,381)
Adjustments to reconcile net loss to cash flow:		
Share based payments	**6,019**	44,044
Shares issued for property	**77,000**	37,500
Flow-through premium	**(260,300)**	-
Net change in non-cash working capital items:		
HST receivable and other receivables	**72,645**	(26,560)
Accounts payable and accrued liabilities	**(117,314)**	181,492
Prepaid expenses	**21,496**	(35,263)
Cash flow used in operating activities	**(1,349,438)**	(895,168)
Financing Activities		
Line of credit	**176,851**	-
Proceeds from issuance of share capital, net of issue costs	**253,007**	702,724
Cash flow provided from financing activities	**429,858**	702,724
Net decrease in cash	**(919,580)**	(192,444)
Cash and cash equivalents – beginning of period	**1,230,116**	295,645
Cash and cash equivalents – end of period	**$ 310,536**	$ 103,201

[The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.]

LAKESIDE MINERALS INC.
Unaudited Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital		Reserves			
	Number of Shares	Amount	Share based payments	Warrants	Accumulated Deficit	Total
Balance at February 1, 2011	**10,005,100**	**$ 520,417**	**$ 82,698**	**$ 62,029**	**$ (400,771)**	**$ 264,373**
Issued for cash consideration:						
Private placements	6,287,667	$ 755,650	-	-	-	755,650
Warrants Issued	-	(130,391)	-	130,391	-	-
Warrants Broker	-	(12,719)	-	12,719	-	-
Share issuance costs	-	(28,925)	-	-	-	(28,925)
Flow-through share issuance premium	-	(15,000)	-	-	-	(15,000)
Issued for non-cash consideration:						
Issued for mineral properties	250,000	37,500	-	-	-	37,500
Issued for services	130,000	13,000	-	-	-	13,000
Share issuance costs	-	(24,001)	-	-	-	(24,001)
Share based payments			44,044	-	-	44,044
Net loss for the period		-	-	-	(1,096,381)	(1,096,381)
Balance at October 31, 2011	**16,672,767**	**1,115,531**	**126,742**	**205,139**	**(1,497,152)**	**(49,740)**
Issued for cash consideration:						
Private placements	7,535,500	1,752,400	-	-	-	1,752,400
Warrants Issued	-	(255,035)	-	255,035	-	-
Warrants Broker	-	(47,279)	-	47,279	-	-
Share issuance costs	-	(326,535)	-	-	-	(326,535)
Flow-through share issuance premium	-	(245,300)	-	-	-	(245,300)
Issued for non-cash consideration:			-	-	-	-
Issued for mineral properties	550,000	82,500	-	-	-	82,500
Share based payments			28,453	-	-	28,453
Issued for Grassland shares	3,399,534	577,921	-	-	-	577,921
Net loss for the period		-	-	-	(1,067,254)	(1,067,254)
Balance at January 31, 2012	**28,157,801**	**2,654,203**	**155,195**	**507,453**	**(2,564,406)**	**752,445**
Issued for cash consideration:						
Private placements	2,097,694	272,700	-	-	-	272,700
Warrants Issued	-	(79,493)	-	79,493	-	-
Warrants Broker	-	(5,873)	-	5,873	-	-
Share issuance costs	-	(19,693)	-	-	-	(19,693)
Issued for non-cash consideration:			-	-	-	-
Issued for mineral properties	1,550,000	77,000	-	-	-	77,000
Share based payments			6,019	-	-	6,019
Net loss for the period		-	-	-	(1,148,984)	(1,148,984)
Balance at October 31, 2012	**31,805,495**	**2,898,844**	**161,214**	**592,819**	**(3,713,390)**	**(60,513)**

[The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.]

1. NATURE OF OPERATIONS AND GOING CONCERN

On December 20, 2011, Grasslands Entertainment Inc., (“Grasslands”) now Lakeside Minerals Inc. (the "Company"), completed a reverse take-over ("RTO") with Lakeside Minerals Corp. and the name changed from Grasslands Entertainment Inc. to Lakeside Minerals Inc. The Company is engaged in the acquisition, exploration and development of mineral resource properties in Canada. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The address of the Company’s registered office is 95 Wellington Street West, Suite 1200, Toronto, Ontario M5J 2N7.

The Company is in the process of exploring, and has not yet determined whether there are economically viable reserves on the properties it has optioned. As such, there is uncertainty with respect to the Company’s ability to continue as a going concern, dependent upon such events as financing, discovery of reserves, and market demand conditions.

As is common with exploration companies, the Company is dependent upon obtaining necessary equity financing from time to time to finance its on-going and planned exploration activities and to cover administrative costs.

At October 31, 2012 the Company had a working capital deficiency of $60,513 (January 31, 2012 – working capital of $752,445) had not yet achieved profitable operations, has accumulated losses of $3,713,390 (January 31, 2012 – $2,564,406) and expects to incur further losses in the development of its business, all of which casts substantial doubt upon the Company’s ability to continue as a going concern. Lakeside will require additional financing in order to conduct its planned work programs on mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and noncompliance with regulatory and environmental requirements.

These unaudited interim condensed consolidated financial statements were authorized for issue by the board of directors on December 14, 2012.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These unaudited interim condensed consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS 34”) ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

2.2 Basis of presentation

These unaudited interim condensed consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s January 31, 2012, annual financial statements.

2. BASIS OF PRESENTATION, (continued)

2.3 Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised International Accounting Standards, International Financial Reporting Standards, amendments and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2011. For the purpose of preparing and presenting the Financial Information for the relevant periods, the Company has consistently adopted all these new standards for the relevant reporting periods.

At the date of authorization of these Financial Statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods.

- IFRS 7 '*Financial Instruments, Disclosures*' - effective for annual periods beginning on or after January 1, 2013, IFRS 7 has been amended to provide more extensive quantitative disclosures for financial instruments that are offset in the statement of financial position or that are subject to enforceable master netting similar arrangements.
- IFRS 9 *'Financial Instruments: Classification and Measurement'* – effective for annual periods beginning on or after January 1, 2015, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.
- IFRS 10 '*Consolidated Financial Statements'* – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
- IFRS 11 '*Joint Arrangements'* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.
- IFRS 12 '*Disclosure of Interests in Other Entities'* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.
- IFRS 13 '*Fair Value Measurement'* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy.
- IAS 1 '*Presentation of Financial Statements'* - the IASB amended IAS 1 with a new requirement for entities to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss.
- IAS 12 '*Income Taxes*' – In December 2010, effective for annual periods beginning on or after January 1, 2012, IAS 12 Income Taxes was amended to introduce an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, *Income Taxes – recovery of revalued non-depreciable assets*, will no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is withdrawn.
- IAS 19 '*Employee Benefits*' - effective for annual periods beginning on or after January 1, 2013, a number of amendments have been made to IAS 19, which included eliminating the use of the "corridor" approach and requiring remeasurements to be presented in OCI. The standard also includes amendments related to termination benefits as well as enhanced disclosures.
- IAS 27 '*Separate Financial Statements*' - effective for annual periods beginning on or after January 1, 2013, as a result of the issue of the new consolidation suite of standards, IAS 27 Separate Financial Statements has been reissued, as the consolidation guidance will now be included in IFRS 10. IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.

2. BASIS OF PRESENTATION, (continued)

2.3 Adoption of new and revised standards and interpretations

- IAS 28 '*Investments in Associates and Joint Ventures'* - effective for annual periods beginning on or after January 1, 2013, as a consequence of the issue of IFRS 10, IFRS 11and IFRS 12, IAS 28 has been amended and will provide the accounting guidance for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee.
- IAS 32 '*Financial instruments, Presentation'* – In December 2011, effective for annual periods beginning on or after January 1, 2014, IAS 32 was amended to clarify the requirements for offsetting financial assets and liabilities. The amendments clarify that the right of offset must be available on the current date and cannot be contingent on a future date.

The Company has not early adopted these standards, amendments and interpretations, however the Company is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company.

3. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of share capital, reserves and accumulated deficit. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital within current economic conditions by:

i) minimizing discretionary disbursements;
ii) reducing or eliminating exploration expenditures which are of limited strategic value;
iii) exploring alternate sources of liquidity.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient potential and if it has adequate financial resources to do so.

As at October 31, 2012, the Company's capital consist of share capital, reserves for warrants, reserves for options and accumulated deficit in the amount of $(60,513) (January 31, 2012 - $752,445).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the nine month period ended October 31, 2012. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

4. RISK FACTORS

Fair value

The carrying amount of cash and cash equivalents, other receivables, and accounts payables and accrued liabilities approximate fair value due to the relative short maturity of these financial instruments. As at October 31, 2012, all financial instruments measured at fair value are considered level 1, consisting of cash and cash equivalents.

Credit Risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and other receivables. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents are held with a reputable Canadian chartered bank. Other receivables are closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash and cash equivalents and other receivables is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at October 31, 2012, the Company had a cash and cash equivalents balance of $310,536 (January 31, 2012 - $1,230,116) and current liabilities of $501,004 (January 31, 2012 - $701,767).

Commodity Price Risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious metals. These metal prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of these metals may be produced in the future, a profitable market will exist for them. As of October 31, 2012, the Company was not a producing entity. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

5. EXPLORATION AND EVALUATION EXPENDITURES

The Company had entered into a series of option agreements with arm's length parties to acquire various mineral exploration properties (mining claims) in the province of Quebec.

The evaluation and exploration expenditures for the Company for the nine months ended October 31, 2012 and 2011 are as follows:

Property:		**October 31, 2012**		**October 31, 2011**
Dufay	$	305,070	$	326,768
Disson		73,165		28,399
Launay		610,335		23,476
Kipawa		482		24,945
Quevillon		-		5,000
Others		-		35,228
	$	989,052	$	443,816

5. EXPLORATION AND EVALUATION EXPENDITURES, (continued)

Exploration properties comprise the following:

Dufay Property

The Company entered into an agreement with arm's length parties dated October 19, 2010, to acquire a 100% interest in the Dufay property consisting of 53 contiguous claims covering 27.45 sq. km located some 30 km west-southwest of Rouyn-Noranda, Quebec. Pursuant to the terms of the Dufay agreement, the Company issued 1,000,000 shares of its common stock issued at an estimated fair value of $0.05 per common share and paid $25,000 to the vendors immediately upon signing the agreement. The Company also agreed to issue an additional 1,500,000 common shares and pay $225,000 as follows:

a) $50,000 and 250,000 shares on the first anniversary of the agreement (paid).
b) $75,000 and 250,000 shares on the second anniversary. (amended as per below)
c) $100,000 and 1,000,000 shares on the third anniversary.

The Company shall spend at least $500,000 in exploration on the mining claims within the first 18 months after the execution of the agreement and an additional $500,000 in exploration on the mining claims within the second 18 months.

Upon successful completion of all these obligations the vendor shall transfer title to the claims to the Company, subject to a Net Smelter Royalty ("NSR") of 2%, of which a 1% NSR may be acquired upon payment of $500,000.

On October 22, 2012, the Company and its vendors amended the terms of the agreement relating to the Dufay property whereby the cash payments of $75,000, to be payable on October 19th, 2012, and $100,000, to be payable on October 19th, 2013, have been amended to:

(a) $25,000 payable to the vendors on November 30th, 2012
(b) $12,500 payable to the vendors on June 1st, 2013
(c) $37,500 payable to the vendors on June 1st, 2014
(d) $50,000 payable to the vendors on June 1st, 2015
(e) $50,000 payable to the vendors on June 1st, 2016

Besides the 250,000 common shares issuable as originally agreed, the Company will issue to the vendors an additional 150,000 common shares for a total issuance of 400,000 common shares.

The work commitment on the Dufay property has been amended to provide for exploration expenditures of a minimum of $150,000 in the 18 month period commencing October 22, 2012 and $350,000 in the 18 month period commencing April 22, 2014.

5. EXPLORATION AND EVALUATION EXPENDITURES, (continued)

Disson Property

Located 22 km northeast of La Sarre, northwestern Quebec, the Disson property consists of 85 non-contiguous claims that cover a total area of 38.93 sq km. Of the 85 claims, 36 claims, 11.18 sq km, are under option agreement to 100% interest and 49 claims, 27.74 sq km, are 100% owned by Lakeside. The property is easily accessed via secondary gravel roads off Highway 111.

The Company entered into an agreement with arm's length parties dated December 7, 2010, to acquire a 100% interest in the Disson property initially consisting of 36 contiguous claims. Pursuant to the terms of the agreement, the Company issued 250,000 shares of its common stock issued at an estimated fair value of $0.05 per common share and paid $15,000 to the vendors immediately upon signing the agreement. The Company also agreed to issue an additional 1,250,000 common shares and pay $245,000 as follows:

a) $20,000 within seven days of the Company completing a going public transaction (paid).
b) $35,000 and 250,000 shares on the first anniversary of the agreement (paid and issued).
c) $50,000 and 250,000 shares on the second anniversary.
d) $60,000 and 250,000 shares on the third anniversary.
e) $80,000 and 500,000 shares on the fourth anniversary.

The Company shall perform $300,000 in exploration on the mining claims over a period of three years from the date of the agreement.

Upon successful completion of all these obligations the vendor shall transfer title to the claims to the Company, subject to a NSR of 1%, of which a 0.5% NSR may be acquired upon payment of $1,000,000.

Under the vendors' prior agreement with Globex Mining Enterprises Inc. a total of 32 Disson mining claims are subject to a 1% Gross Metal Royalty.

On July 31, 2011, the Company staked 40 claims covering 22.64 sq km south and west of the Disson claims.

On May 31, 2012, the Company staked an additional 9 claims covering 5.10 sq km adjacent to the southeast edge of the Disson claims.

On October 22, 2012, the Company and its vendors amended the terms of the agreement relating to 36 of 85 claims of the Disson property. The cash payments of $50,000 payable on December 7th, 2012, $60,000 payable on December 7th, 2013 and $80,000 payable on December 7th, 2014 have been amended to:

(a) $25,000 payable to the vendors on June 1st, 2013
(b) $30,000 payable to the vendors on June 1st, 2014
(c) $40,000 payable to the vendors on June 1st, 2015
(d) $95,000 payable to the vendors on June 1st, 2016

All of the common shares issuable remain the same: 250,000 common shares will be issued on December 7th, 2012.

5. EXPLORATION AND EVALUATION EXPENDITURES, (continued)

Launay Property

The property is located some 48 km northeast of Rouyn-Noranda, in Launay, Privat, and Manneville Townships, northwestern Quebec. Through staking, option and purchase agreements, the Company consolidated a large land package over the prospective Macamic deformation zone, a major deformation zone in the Abitibi subprovince. The Launay property currently comprises 212 non-contiguous claims that cover a total area of 95.78 sq km:

- 116 claims, 54.5 sq km, were staked and are 100% owned by Lakeside Minerals Corp.
- 29 claims, 11.7 sq km, are under option agreement to Lakeside Minerals Corp. to 100% interest, subject to property payments, work commitments and subject to a 2% NSR with buyback of 1% NSR for $1 million dollars
- 21 claims, 8.7 sq km, are 100% owned by Lakeside Minerals Corp.; these claims were purchased from Melkior Resources Inc. for company shares: 15 of these claims are subject to a 2% NSR with buyback of 1% NSR for $1 million dollars; the other 6 claims are subject to a 1% NSR with total buyback for $500,000
- 35 claims, 16.0 sq km, are 100% owned by Lakeside Minerals Corp.; these claims were purchased from Les Explorations Carat Inc. for cash payments and company shares; claims are subject to a 2% NSR with buyback of 1% NSR for $1 million dollars
- 11 claims, 4.5 sq km, are 100% owned by Lakeside Minerals Corp.; claims were purchased from Jack Stoch Geoconsultant Services Ltd. for company shares, subject to a two percent (2%) GMR; the Company has the option of first refusal to buy back a one percent (1%) GMR.

The Company entered into an agreement with arm's length parties dated December 7, 2010, to acquire a 100% interest in the Launay property originally consisting of 29 non-contiguous claims covering 11.7 sq km. Pursuant to the terms of the Launay Agreement, the Company issued 250,000 shares of its common stock issued at an estimated fair value of $0.05 per common share and paid $10,000 to the vendors immediately upon signing the agreement. The Company also agreed to issue an additional 750,000 common shares and pay $90,000 as follows:

a) $15,000 due within seven days of the Company completing a going public transaction (paid).
b) $20,000 and 250,000 shares on the first anniversary of the agreement (paid and issued).
c) $25,000 and 250,000 shares on the second anniversary. (amended as per below)
d) $30,000 and 250,000 shares on the third anniversary.

The Company shall perform $250,000 in exploration on the mining claims over a period of three years from the date of the agreement.

Upon successful completion of all these obligations the vendor shall transfer title to the claims to the Company, subject to a NSR of 2%, of which a 1% NSR may be acquired upon payment of $1,000,000.

5. EXPLORATION AND EVALUATION EXPENDITURES, (continued)

On April 30, 2012, the Company entered into an agreement with Melkior Resources Inc. (TSX-V: MKR) (“Melkior”) to acquire twenty-one (21) mineral claims, the Trojan and Launay South blocks, which are adjacent to Lakeside’s Launay property claim blocks located in Privat and Launay Townships. Under the terms of the agreement, Lakeside acquired 100% interest in the mineral claims by issuing 750,000 common shares (issued) to Melkior and recognizing the continuance of third party net smelter royalties on the mineral claims.

On June 5, 2012, the Company entered into an agreement with Les Explorations Carat Inc. (“Les Explorations”) to acquire thirty-five (35) mineral claims, located east of the Rochette block and east and west of the Labreteche block. Under the terms of the agreement, Lakeside acquired 100% interest in the mineral claims by agreeing to make two cash payments of $5,000 each within 6 months and 12 months of the execution of the agreement; issuing 200,000 common shares (issued) to Les Explorations; and, granting of a 2% net smelter royalty on the mineral claims. Lakeside can buy back half of the 2% net smelter royalty with a payment of $1,000,000.

On September 17, 2012, the Company entered into an agreement with privately owned Jack Stoch Geoconsultant Services Ltd. (JSGS) to acquire eleven (11) mineral claims covering 4.5 sq km, also known as the Freegold property. Under the terms of the agreement, the Company can acquire a 100% interest in the Freegold property subject to the Company issuing 600,000 common shares (issued) to JSGS. JSGS retains a two percent (2%) GMR and the Company has the option of first refusal to buy back a one percent (1%) GMR.

On October 22, 2012, the Company and its vendors amended the terms of the agreement relating to 28 of 212 claims of the Launay property. The cash payments of $25,000 payable on December 7th, 2012 and $30,000 payable on December 7th, 2013 have been amended to:

(a) $25,000 payable to the vendors on June 1st, 2013
(b) $30,000 payable to the vendors on June 1st, 2014

All of the common shares issuable remain the same: 250,000 common shares will be issued on December 7th, 2012.

Other Properties

Kipawa Property

The property is located 38 km east of the town of Témiscaming, northwestern Quebec, some 170 km south of city of Rouyn-Noranda. The property originally consisted of 45 contiguous claims in one irregularly shaped block covering a total of 26.48 sq km. The property now comprises 27 contiguous claims in one irregularly shaped block covering a total of 15.92 sq km. The property is under option agreement to 100% interest.

The Company entered into an agreement with arm’s length parties dated December 2, 2010, to acquire a 100% interest in the Kipawa property consisting of 45 claims located 38 km east of the town of Témiscaming, Quebec. Pursuant to the terms of the agreement, the Company issued 50,000 shares of its common stock to the vendors immediately upon signing the agreement valued at $2,500. The Company also agreed to pay $4,500 within seven days of the Company closing a going public transaction (paid).

Upon successful completion of all these obligations the Vendor shall transfer title to the claims to the Company.

Sufficient work has been carried out to maintain the current claims in good standing through to January 2014.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION EXPENDITURES, (continued)

21M16 Property

As of September 2011, Management elected not to renew the 21M16 claims. The majority of these claims expired in November 2011 and the remaining claims expired in April 2012.

New Claims Property

On March 31, 2011, the Company terminated the Uranium 22B15 property agreement and forfeited its option to acquire the claims. The Company received from the vendor, for consideration of $1.00, forty-four (44) claims here referred to as the "New Claims" property.

As of December 2011, Management elected not to renew these claims. On the Lac Evain block, the remaining claims expired in December 2012; on the Kinojevis block all the claims expired in November 2012; and, on the 391 block, all the claims expired in February of 2012.

Quevillon Property

As of June 2012, Management elected to terminate the Quevillon property agreement.

6. CREDIT FACILITY

As at October 31, 2012, the Company had a secured line of credit of $250,000. The facility bears interest at the lender's prime rate plus 1.75%. Advances under the facility are payable in full upon demand. As at October 31, 2012, the Company had drawn $176,851 against the facility.

7. HST RECEIVABLE AND OTHER RECEIVABLES

The Company's HST and other receivables arise from harmonized services tax ("HST"), amounts due from government taxation authorities and royalties associated with Grasslands Entertainment Inc. previously produced television series.

Below is an aged analysis of the Company's trade and other receivables:

		October 31, 2012		January 31, 2012
Less than 1 year	**$**	**115,667**	$	148,347
Greater than 1 year		**-**		39,965
Total trade and other receivables	**$**	**115,667**	$	188,312

The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables.

8. PREPAID EXPENSES

		October 31, 2012		January 31, 2011
Advances to suppliers	**$**	**9,300**	$	21,904
Rent		**-**		5,834
Insurance		**2,687**		8,046
Other		**2,301**		-
Total prepaid expenses	**$**	**14,288**	$	35,784

(Expressed in Canadian Dollars)

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities, professional fees, amounts payable for financing activities and payroll liabilities.

The following is an aged analysis of the accounts payables:

		October 31, 2012		January 31, 2011
Less than 6 months	**$**	**170,074**	$	441,467
Greater than 6 months		**154,079**		-
Total accounts payable and accrued liabilities	**$**	**324,153**	$	441,467

10. FLOW-THROUGH SHARE PREMIUM

The Company financed its exploration activities through the issuance of flow-through shares, which transferred the tax deductibility of exploration expenditures to the investors. Proceeds received on the issuance of such shares have been credited to share capital less the premium paid for the sale of tax deductions. To the extent that the Company issued common shares to subscribers on a flow-through basis at a premium to the market value of non-flow-through common shares, any such premium was recorded as a liability on the Company's statement of financial position at the time of subscription. This liability was reduced when renunciation occurred, associated with such flow-through share issuances, with the premium recognized as income. Renunciation occurred during the nine month period ended October 31, 2012 and thus flow-throw premium liability was reduced to $nil.

11. SHARE CAPITAL

Share Issuances

<u>During the year ended January 31, 2012:</u>
On April 4, 2011, the Company completed a flow-through share private placement of 2,050,000 units at a price of $0.10 per unit, for gross proceeds of $205,000. Each unit consisted of one flow-through common share and one-half warrant. A whole warrant can be exercised to acquire one common share for a period of 24 months from the date of completion of a going public transaction, for cash consideration of $0.20. The flow-through unit was not issued at a premium to the non flow-through unit; hence, a flow-through premium share liability was not recorded.

On April 4, 2011, the Company completed a non flow-through share private placement of 2,000,000 units at a price of $0.10 per unit, for gross proceeds of $200,000. Each unit consisted of one common share and one-half warrant. A whole warrant can be exercised to acquire one common share for a period of 24 months from the date of completion of a going public transaction, for cash consideration of $0.20.

On May 1 2011, the Company converted $13,000 of payables into 130,000 common shares at a value of $0.10 per common share.

11. SHARE CAPITAL, (continued)

On September 28, 2011, the Company completed an interim financing of 2,237,667 units for gross proceeds of $350,650 comprised of a $60,000 flow-through unit financing (with each flow-through unit priced at $0.20 and comprised of one flow-through share and one-half of one warrant) and a $290,650 non flow-through unit financing (with each non flow-through unit priced at $0.15 and comprised of one common share and one-half of one warrant). Each warrant will be exercisable into one common share of the Company at an exercise price of $0.30 for a period of 24 months from the date upon which the Company completes a going public transaction, subject to acceleration in certain circumstances. The relative fair value of the flow-through premium on the units was determined to be $15,000.

In connection with the interim financing, Lakeside paid Foundation Markets Inc. a fee equal to 8% of the gross proceeds raised and compensation options equal to 8% of the number of units sold. Each compensation option will entitle the holder to purchase one non flow-through unit at a price of $0.15 per unit, exercisable for the period of 24 months from the completion of a going public transaction, subject to acceleration in certain circumstances. Details of the warrant valuation are disclosed in Note 12.

On December 20, 2011, the Company completed a financing of 7,535,500 units for gross proceeds of $1,752,400 comprised of a $1,226,500 flow-through unit financing (with each flow-through unit priced at $0.25 and comprised of one flow-through share and one-half of one warrant) and a $525,900 non flow-through unit financing (with each non flow-through unit priced at $0.20 and comprised of one common share and one-half of one warrant). Each warrant will be exercisable into one common share of the Company at an exercise price of $0.40 for a period of 24 months from the date upon which the Company completes a going public transaction, subject to acceleration in certain circumstances. The relative fair value of the flow-through premium on the units was determined to be $245,300.

In connection with the December 20, 2011, financing, Lakeside paid a fee equal to 8% of the gross proceeds raised and compensation warrants equal to 8% of the number of units sold. Each compensation option will entitle the holder to purchase one non flow-through unit at a price of $0.40 per unit, exercisable for the period of 24 months from the completion of a going public transaction, subject to acceleration in certain circumstances. Details of the warrant valuation are disclosed in Note 12.

<u>During the nine months ended October 31, 2012:</u>

On March 14, 2012, the Company closed a non-brokered private placement of 1,713,079 units for gross proceeds of $222,700. The Company also issued 384,615 units priced at $0.13 to convert $50,000 worth of legal fees. Each unit, priced at $0.13, is comprised of one (1) common share and one (1) common share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.20 for 24 months from the date of closing, subject to an acceleration clause.

The Company paid a finder's fee equal to 8% of the gross proceeds raised under the Offering and issued compensation options equal to 8% of the number of units sold under the Offering. Each compensation option is exercisable at a price of $0.13 into one common share of the Company and one warrant, exercisable at any time until 24 months from the date of closing.

On May 14 2012 and July 9, 2012, the Company issued 750,000 shares and 200,000 shares respectively as part of its property option agreement for the Launay property.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL, (continued)

On September 27, 2012, the Company issued 600,000 shares as part of its property agreement for the Freegold property as part of the greater land package of the Launay property.

12. RESERVE FOR WARRANTS

Warrants to purchase common shares carry exercise prices and terms to maturity at October 31, 2012 are as follows:

Month of Expiry	No. of warrants	Exercise Price ($)
December 20, 2013	3,407,500	0.20
December 20, 2013	1,118,831	0.30
December 20, 2013 – broker	179,013	0.15
December 20, 2013	3,767,750	0.40
December 20, 2013 – broker	602,840	0.20
March 14, 2014	2,097,694	0.20
March 14, 2014 – broker	137,046	0.13
	11,310,674	

The following table summarizes the weighted average assumptions used with the Black-Scholes valuation model for the determination of the fair value of the warrants and broker warrants granted during the nine month period ended October 31, 2012:

Issue date	**March 14, 2012**	**March 14, 2012 broker**	**Total**
No. of warrants	2,097,694	137,046	2,234,740
Share price	$ 0.095	$ 0.095	
Exercise price	$ 0.20	$ 0.13	
Expected life in years	2.00	2.00	
Volatility	113%	113%	
Risk-free interest rate	1.24%	1.24%	
Dividend yield	-	-	
Fair value of warrants	$ 79,493	$ 5,873	$ 85,366

(Expressed in Canadian Dollars)

12. RESERVE FOR WARRANTS, (continued)

The following table summarizes the weighted average assumptions used with the Black-Scholes valuation model for the determination of the fair value of the warrants and broker warrants granted during the year ended January 31, 2012:

Issue date	April 4, 2011	August 12, 2011	September 28, 2011	September 28, 2011 broker	December 20, 2011
No. of warrants	2,025,000	637,000	481,831	179,013	3,767,750
Share price	$ 0.08	$ 0.12	$ 0.12	$ 0.12	$ 0.17
Exercise price	$ 0.20	$ 0.30	$ 0.30	$ 0.15	$ 0.40
Expected life in years	2.75	2.33	2.25	2.25	2.00
Volatility	113%	113%	113%	113%	113%
Risk-free interest rate	2.19%	1.02%	0.97%	0.97%	0.88%
Dividend yield	-	-	-	-	-
Fair value of warrants	$ 79,726	$ 34,349	$ 25,329	$ 9,560	246,022

Issue date	December 20, 2011 broker	Total
No. of warrants	602,840	9,075,934
Share price	$ 0.17	
Exercise price	$ 0.20	
Expected life in years	2.00	
Volatility	113%	
Risk-free interest rate	0.88%	
Dividend yield	-	
Fair value of warrants	50,438	528,155

Expected volatility is based on comparable companies.

(Expressed in Canadian Dollars)

13. RESERVE FOR OPTIONS

The Company awards stock options to directors, management and employees of the Company. The compensation expense is recognized when options are issued if exercisable immediately otherwise over the vesting term.

On December 16, 2010, the Company granted an aggregate of 1,400,000 stock options exercisable immediately at a price of $0.20 per share at any time over a period of 5 years to directors of the Company.

On February 3, 2011, the Company granted an aggregate of 400,000 stock options exercisable immediately at a price of $0.20 per share at any time over a period of 5 years to a director and officer of the Company.

On March 23, 2011, the Company granted an aggregate of 300,000 stock options exercisable at a price of $0.20 per share over a period of 5 years to an officer of the Company of which 100,000 stock options are exercisable immediately. The remaining stock options vest in tranches of 50,000 every 6 months from the effective date.

On June 22, 2011, the Company granted 200,000 stock options exercisable immediately at a price of $0.40 per share at any time over 5 years to an officer of the Company.

On December 21, 2011, the Company granted 150,000 stock options exercisable immediately at a price of $0.40 per share at any time over 5 years to consultants of the Company.

On October 1, 2012, the Company granted 200,000 stock options exercisable immediately at a price of $0.20 per share at any time over 5 years to consultants of the Company.

The Company established a stock option plan to provide additional incentive to its directors, officers, employees and consultants in their efforts on behalf of the Company in the conduct of its affairs. The stock option plan provides that the total number of shares which may be issued thereunder is limited to 10% of the aggregate number of shares outstanding. Under the terms of the plan, options vest immediately and expire on the fifth anniversary from the date of issue unless otherwise stated. As at October 31, 2012, the Company has 620,550 (January 31, 2012 – 365,780) options available for issuance under the plan.

Lakeside has the following stock options outstanding:

	October 31, 2012		January 31, 2012	
	Weighted Average Exercise Price	**Number of 0ptions**	Weighted Average Exercise Price	Number of Options
Outstanding - beginning of year	**$ 0.23**	**2,450,000**	$ 0.20	1,400,000
Transactions during the year:				
Granted	**0.20**	**200,000**	0.26	1,250,000
Exercised	**-**	**-**	-	-
Expired	**-**	**-**	0.20	(200,000)
Outstanding	**$ 0.23**	**2,650,000**	$ 0.23	2,450,000
Exercisable	**$ 0.23**	**2,400,000**	$ 0.23	2,300,000

(Expressed in Canadian Dollars)

13. RESERVE FOR OPTIONS, (continued)

The weighted average remaining contractual life for outstanding options is as follows:

Price Range	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life (years)	Number of Options - exercisable	Weighted Average Exercise Price
$0.20	2,300,000	$ 0.20	3.37	2,150,000	$ 0.20
$0.40	350,000	$ 0.40	3.84	3500,000	$ 0.40
$0.20 - $0.40	2,650,000	$ 0.23	3.43	2,350,000	$ 0.23

The estimated fair value of share based compensation during the nine month period ended October 31, 2012 was determined using the Black-Scholes option pricing model with the following assumptions:

Share price	$0.035
Risk-free interest rate	1.28%
Expected life of options	5 years
Expected volatility	100%
Expected dividend yield	0%

The estimated fair value of share based compensation during the year ended January 31, 2012 was determined using the Black-Scholes option pricing model with the following assumptions:

Share price	$0.10
Risk-free interest rate	2.09%
Expected life of options	5 years
Expected volatility	135%
Expected dividend yield	0%

During the nine months period ended October 31, 2012, $3,000 of share based payments was recorded in connections with 200,000 options issued on October 1, 2012 and $2,323 of share based payments expense was recognized in relation to the vesting of the options issued on March 23, 2011.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimated, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company’s stock options. Expected volatility is based on comparable companies.

14. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

The Company and FOI entered into a financial advisory and consulting agreement on October 15, 2010. FOI is a subsidiary of Foundation Financial Holdings Corp. ("FFHC"). FFHC is an entity in which Adam Szweras is a director and each of Yannis Banks, and Jeremy Goldman, is an officer, director and shareholder. In consideration for services the Company agreed to pay a fee of $7,000 per month for a period of eighteen months that ended April 2012. The Company and FOI entered into a financial advisory and consulting agreement on April 14, 2012 and the Company agreed to pay a fee of $5,000 per month for a period of three months. This agreement was further replaced by an agreement in May 2012 where the Company agreed to pay $5,000 per month for a period of three months after which the contract continues on a month by month basis unless terminated by either party. For the nine months ended October 31, 2012, the Company paid FOI $49,000 (2011 - $63,000). In addition, Foundation Markets Inc. ("FMI") a subsidiary of FFHC received a cash commission payment of $14,816 (2011 - $31,052) and 113,969 broker warrants (2011 – 179,013) valued at $4,884 (2011 - $12,719) for the placement of the Company's common shares, which are included in share capital and reserve for warrants respectively.

The Company and Cavalry Corporate Solutions Ltd ("Cavalry") entered into a management services agreement on November 1, 2010. The management services agreement includes the services of the Company's Chief Financial Officer ("CFO"). Cavalry is an entity in which FFHC is the sole shareholder. In consideration for services the Company agreed to pay $4,000 for the first three month period and $5,000 per month until January 31, 2012. The agreement was amended to $7,500 per month thereafter. For the nine months ended October 31, 2012, the Company recorded $67,500 (2011 - $45,000) for management services provided by Cavalry. These services include CFO services.

During the nine months ended October 31, 2012, Fogler Rubinoff LLP ("Fogler") a law firm in which Adam Szweras an officer of the Company is also a partner, provided $67,668 (2011 - $148,572) of legal services, which are included in professional fees. The Company also issued 384,615 units priced at $0.13 to convert $50,000 worth of legal fees. Each unit, priced at $0.13, is comprised of one (1) common share and one (1) common share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.20 for 24 months from the date of closing, subject to an acceleration clause.

The Company entered into a general consultancy agreement with Caracle Creek International Consulting Inc. ("CCIC") in which Scott Jobin-Bevans is a director and a significant, but not controlling, shareholder. Scott Jobin Bevans is a director of the Company. CCIC was engaged to provide a NI 43-101 report and field work on the Dufay mineral property. CCIC provided $5,242 (2011 - $177,864) of consulting services during the period, which was expensed in exploration and evaluation expenditures.

During the nine months ended October 31, 2012, $114,142 (2011 - $78,833) was paid to the Chief Executive Officer.

15. SEGMENTED INFORMATION

At October 31, 2012, the Company's operations comprise of a single reporting operating segment engaged in mineral exploration in Quebec.

16. COMMITMENTS AND CONTINGENCIES

Environmental Contingencies
The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through shares
The Company is committed to spending approximately $370,000 associated with its flow-through offerings. The Company intends to fulfill all flow-through commitments by December 31, 2012.

17. SUBSEQUENT EVENT

On November 8, 2012, the Company issued 750,000 shares; 250,000 shares as part of the its Launay property agreement, 250,000 as part of its Dufay property agreement, and 250,000 as part of its Disson property agreement. As part of the amendment to the terms of the property agreement to the Dufay property, the Company also issued 150,000 shares in consideration for the amendments to the property agreements.